



Memorandum

DATE: July 13, 2009

TO: Board of Public Works

FROM: Mark Radtke, Director of Public Works *MR*

RE: Consideration of Revisions for Storm Water Charges in Five Oaks Mobile Home Park or Other Manufactured Housing Communities

With the adoption of Ordinance O-19-08 in October, 2008, the City of Menasha created a storm water utility to fund the cost to administer, operate, construct and maintain storm sewer systems and storm water management facilities necessary to meet the requirements of the Wisconsin Department of Natural Resources (WisDNR). These WisDNR regulations were established to improve the quality of storm water discharge into the Waters of the State.

The basis of charge for distribution of costs is the Equivalent Runoff Unit (ERU) which is the computed average impervious surface of a single-family home in the City of Menasha. Section 9-4-8 of the Ordinance O-19-08 creates customer classifications for the purpose of imposing the storm water charges. Customer Class (1) (c) is Multi-Family Residential, including manufactured housing communities. Per 9-4-9 (3), the charges for residential properties with three or more attached living units or manufactured housing communities shall be the charge for one ERU times the amount of impervious area divided by 2,980 square feet, which is the square footage of 1 ERU.

This methodology was used by the City in establishing the storm water charge for Five Oaks Mobile Home Park. According to our records, Five Oaks has impervious area equal to 432 ERUs, including the private streets area. The 2009 fee for one ERU in the City of Menasha is \$65, which corresponds to a charge of \$28,080 to Five Oaks Mobile Home Park for 2009. Per the ordinance, this charge was billed to the owner of the mobile home park, through the monthly Menasha Utilities billing system. Because this billing system was not established until April, 2009, the 2009 runoff charge is being recovered through the remaining eight billing periods. The Assessor's Office records indicate there are 293 home sites in the development. If the 2009 fee to Five Oaks were distributed equally, the total charge to each home site would be \$95.84.

If the City were to bill the individual home sites within Five Oaks as a single-family residence, the total cost recovered for the development in 2009 would be \$19,045, assuming \$65 for each of the 293 home sites. If there are undeveloped home sites, the amount recovered would be slightly less due to a credit assigned to vacant lots with no impervious surface.

The City did a survey of surrounding communities relative to treatment of manufactured housing developments for storm water charges.

City of Appleton – utilizes the same methodology as Menasha; however, the streets in the mobile home park in Appleton are public so the cost to the park owner is less than the charge to the owner of Five Oaks in Menasha.

City of Neenah – considers manufactured housing units the same as single-family residential units.

Village of Little Chute – identifies and treats mobile home parks as non-residential property, similar to Menasha.

Town of Greenville – classifies mobile home parks as multi-family development. The first lot is charged 1 ERU and each subsequent lot is charged 0.5 ERU. Any on-site office building is charged 1.5 ERU.

When considering the policy for establishing storm water charges for manufactured housing communities in the City of Menasha, I think the Board should select one of the following two options

1. Maintain the current cost recovery methodology of charging on the basis of impervious area in the development, or
2. Consider manufactured housing community units the same as single-family residential units, in which case each home site would be charged one ERU fee.

If the City were to select Option 2, the impact to the storm water utility would be a loss of approximately \$9,035 in 2009.

The current ordinance (Option1) considers the manufactured housing development more as a commercial enterprise with an owner(s) operating a business. If the Board thinks it should be considered more as a residential community than a business operation, Option 2 should be selected.

Enclosure (Ordinance O-19-08)